

Finance, Revenue, and Bonding Committee General Bonding Subcommittee
March 4, 2022

Sen. Moore, Rep. Borer, Sen. Hwang, Rep. Piscopo, and Members of the Subcommittee:

Thank you for this opportunity to discuss the Department of Energy and Environmental Protection Fiscal Year 2023 Mid-Term Capital Budget Adjustment. My name is Katie Dykes, and I have the honor to serve the Commissioner for the Department. I am joined by our Fiscal Staff as well as Deputy Commissioner Mason Trumble, Bureau Chiefs and management staff from some of our key program areas.

Governor Lamont proposes an increase of \$15M in General Obligation Bonding for DEEP's Infrastructure Program. This increase will support much-needed infrastructure improvements throughout our agency portfolio. As I mentioned recently at the Department's Appropriation Committee hearing, 2020 proved to be a record-breaking year for outdoor recreation across the state, and that trend continued in 2021. This trend reaffirms the importance Connecticut residents place on this State's abundant park, forest, fish and wildlife resources. Connecticut continues to be a leader among New England states, with the second largest outdoor recreation economy. The public continued to flock to the outdoors in 2021, with an estimated 13 million visitors enjoying Connecticut's State Parks and Forests.

This increased use has also put an additional strain on our facilities which have a significant amount of deferred maintenance, so this investment is incredibly timely. Our system of Parks and Forests is over 100 years old, and many of our facilities have been providing services for many years beyond their life expectancy. The projects designated for these ARPA funds will achieve many objectives including, but not limited to: providing improved accessibility, improvements and repairs to park amenities, increasing outdoor recreation and education, improving water supply and sewage disposal associated with outdoor recreation facilities. The improved outdoor recreation amenities will provide healthy socialization and recreation opportunities for disproportionately impacted communities.

To preserve the quality of the visitor experience and enhance outdoor recreation, the Governor's budget proposes to allocate \$25 million from Federal Coronavirus State Fiscal Recovery Funds and proposes an additional \$15M in General Obligation Bonds to the existing \$15M schedule to be authorized on July 1, 2022. This funding will support improved accessibility, provide for repairs and improvements to park amenities, and offer enhanced outdoor recreation and education opportunities.

I would like to thank this Committee for its continued support of DEEP's capital programs. The Department has had tremendous success in all areas of responsibilities including environmental quality, environmental conservation, and energy programs. Our diverse portfolio of programs includes one of the State's largest capital investments, Connecticut's Clean Water Fund, which is a national model program leveraging nearly \$600M of federal grants to over \$5B in state investments in wastewater infrastructure throughout the State. Through the committee's continued support, our investment in improvements to water and wastewater infrastructure aids our municipalities, especially our more urban communities burdened with outdated and outmoded infrastructure. The state's investment in the Clean Water Fund has resulted in great improvements to water quality, which has the added benefits of protecting public health, the environment, our recreational resources, and one of the State's most cherished assets, Long Island Sound.

Overall, the Department has 15 capital programs that support a variety of responsibilities including the

Clean Water Fund Program, DEEP Infrastructure and State Park Improvements Program, State-owned Dam Repair Program, Flood and Erosion Control Program, Potable Water, Incinerators and Landfills, Open Space, Recreation and Natural Heritage Program, Hazardous Waste/State Superfund Program, several Energy Efficiency Programs, Microgrids, and Resilience Grant and Loan Program.

For the convenience of the committee, we have attached a table to summarize the Department's current unallocated balances and the Governor's proposed recommendations (see Attachment I).

We recognize and welcome the opportunity to discuss current balances and the Governor's recommended authorization for Fiscal Year 2023. We hope to answer all your questions here today and would be happy to follow up on items that may need more review with program staff.